



PRESS RELEASE from
Congresswoman Melissa Bean

Representing the Eighth District of Illinois

FOR IMMEDIATE RELEASE

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Bean Introduces Bill to Combat Identity Theft

"Notification of Risk to Personal Data Act Gives Consumers the Right to Know when Private Information is Stolen"

WASHINGTON, D.C. — Today, U.S. Rep. Melissa Bean (D-IL) introduced legislation that would require companies to immediately alert consumers when sensitive personal information is stolen by identity thieves. Bean was joined by several House colleagues, including U.S. Rep. Rahm Emanuel (D-IL), U.S. Rep. Luis V. Gutierrez (D-IL), U.S. Rep. Louise Slaughter (D-NY).

Last week nearly 150,000 Americans were shocked to discover that their Social Security numbers, credit files, and personal health information were sold by ChoicePoint, Inc. to fraud artists posing as legitimate businesses. Moreover, this massive identity theft was not an isolated incident. According to the Privacy Rights Center, a nonprofit consumer organization dedicated to consumer information and consumer advocacy, up to 10 million Americans are victims of ID theft each year. Currently, there is no federal law forcing data providers to notify consumers if their information is gone.

A recent Federal Trade Commission report found that more than 11,000 Illinois residents reported incidents of identity theft last year -- up 15 percent from 2003.

"Reports of identity theft have risen sharply in suburban communities like the Eighth District," Bean said, "My constituents and all other Americans deserve stronger protections from this crime. This legislation will crack down on organizations whose careless disclosure of sensitive personal data can wreak havoc on people's financial lives."

"Consumers should not have to learn from news reports that their personal information is missing. Individuals have a right to know the minute their personal information has been stolen," Emanuel said. "Congress must act to protect consumers in an age that allows sensitive information to pass from hand to hand and in a matter of seconds."

This bill was introduced as an identical companion to California Sen. Dianne Feinstein's bill, "The Notification of Risk to Personal Data Act (S. 115)." Protections will include:

- *Requiring the government or any business that owns or licenses electronic data containing personal information to notify any person whose personal information was acquired by an unauthorized party, following the discovery of a breach of security of the system containing that data;*

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- *Requiring any agency or person who possesses but does not own or license such data to notify the information owner or licensee about such an unauthorized acquisition;*
- *Requiring a fraud alert to be placed on the accounts of any consumer whose data have been compromised at the credit reporting agencies;*
- *Imposing tough new penalties on violators; and*
- *Creating a clearinghouse to collect, track and report on incidents in which data have been compromised.*

In the Chicago area, most identity theft victims come from suburbs, according to Daren Ogletree, a special agent with the FBI and coordinator of the Chicago Metropolitan Identity Fraud Task Force (CMIFTF). Formed in 2003, the group of bankers, retailers and state and federal agencies aids other law enforcement agencies by pooling resources to identify and prosecute perpetrators of identity theft.

The “Notification of Risk to Personal Data Act” is the first piece of legislation introduced by Bean, who is currently serving her first term in Congress and sits on the House Committee on Financial Services and the Committee on Small Business.